

BILL ANALYSIS

Senate Research Center

S.B. 190
By: Brimer
Intergovernmental Relations
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Enrolled

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Currently, Section 321.3022, Tax Code, requires the comptroller of public accounts to release sales tax data to a city with a population less than 275,000 regarding businesses that remit more than \$25,000 in local sales tax payments. As a result, the six cities in Texas with populations over 275,000 do not receive this information, and those cities do not have a way to reconcile problems associated with reporting errors without vendor-specific sales tax data.

S.B. 190 removes this population bracket so that all cities can receive sales tax data. This information may help in resolving tax errors and may be useful in assisting those cities with their economic development efforts and the preparation of their annual budgets

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 321.3022, Tax Code, by amending Subsections (a) and (e) and adding Subsection (a-1), as follows:

(a) Requires the comptroller of public accounts (comptroller), on request, to provide a municipality that has adopted a municipal sales and use tax under Chapter 321 (Municipal Sales and Use Tax Act) with certain information, except as otherwise provided by this section.

(1) Deletes existing provision permitting only municipalities with a population under 275,000 to request information from the comptroller regarding the amount of monies paid for the previous or current year to a municipality through a municipal sales and use tax by that municipality's businesses who annually pay more than \$25,000 in state and local sales tax payments.

(2) Requires the comptroller to provide any other information to the municipality as provided by this section.

(a-1) Requires the comptroller, on request, to provide information to a municipality that has adopted a municipal sales and use tax and that does not impose an ad valorem tax, relating to the amount of tax paid for the previous or current calendar year to a municipality through the municipal sales and use tax by each person doing business in the municipality who annually pays more than \$500 in state and local sales tax payments.

(e) Requires a separate request for information under this section is to be made in writing by the municipality's mayor or chief administrative officer each year.

SECTION 2. Effective date: upon passage or September 1, 2007.